

North Dakota

# FARM REPORTER

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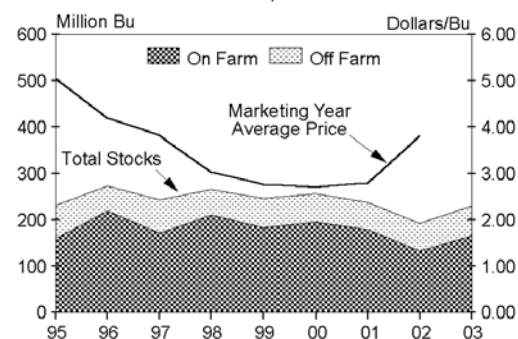
## GRAIN STOCKS

**N**orth Dakota All wheat stored in all positions in North Dakota on December 1, 2003 totaled 230 million bushels, a 19 percent increase from a relatively low level a year ago, but down 3 percent when compared to December 1, 2001. On-farm stocks are estimated at 165 million bushels, up 24 percent from last year but down 8 percent from two years ago. Durum wheat stocks in all positions totaled 39.2 million

bushels, down 20 percent from a year ago. On-farm stocks, at 31.0 million bushels, were down 23 percent from December 1, 2002 and lowest since records were kept separately.

Corn stocks in all positions totaled 105.5 million bushels, up 19 percent from last year and a record high due mostly to the record high production for 2003. Of the total stocks, 83.0 million bushels were stored on farms, up 28 percent from last year and a record high. Soybean stocks in all positions totaled 40.0 million bushels, down 23 percent from last year's record high stocks. On-farm stocks totaled 19.0 million bushels on December 1, 2003, down from last year's record high 36.0 million bushels.

**All Wheat  
December 1 Stocks and Price  
North Dakota, 1995-2003**



## United States

All wheat stored in all positions on December 1, 2003 totaled 1.52 billion bushels, up 15 percent from a year ago. Durum wheat stocks in all positions on December 1, 2003 totaled 67.0 million bushels, down 13 percent from a year ago. Corn stocks in all positions on December 1, 2003 totaled 7.94 billion bushels, up 4 percent from December 1, 2002. Soybeans stored in all positions on December 1, 2003 totaled 1.69 billion bushels, down 20 percent from December 1, 2002.

## GRAIN STOCKS, December 1, 2003

Crop	Date	NORTH DAKOTA			UNITED STATES		
		On Farm	Off Farm <sup>1/</sup>	Total all Positions	On Farm	Off Farm <sup>1/</sup>	Total all Positions
Wheat, All <sup>2/</sup>		--- 1,000 Bushels ---			--- 1,000 Bushels ---		
	Dec 1, 2002	133,000	59,500	192,500	384,800	935,069	1,319,869
	Sep 1, 2003	201,000	88,000	289,000	687,320	1,351,652	2,038,972
	Dec 1, 2003	165,000	65,000	230,000	491,925	1,029,159	1,521,084
Durum Wheat	Dec 1, 2002	40,000	8,800	48,800	50,800	25,917	76,717
	Sep 1, 2003	44,000	11,000	55,000	58,000	29,241	87,241
	Dec 1, 2003	31,000	8,200	39,200	41,400	25,569	66,969
Barley	Dec 1, 2002	29,000	13,600	42,600	83,400	86,601	170,001
	Sep 1, 2003	63,000	24,800	87,800	141,900	99,730	241,630
	Dec 1, 2003	48,000	21,400	69,400	97,200	100,684	197,884
Oats	Dec 1, 2002	9,800	850	10,650	52,500	51,284	103,784
	Sep 1, 2003	16,000	1,300	17,300	82,100	49,637	131,737
	Dec 1, 2003	13,000	1,200	14,200	64,300	54,918	119,218
Corn	Dec 1, 2002	65,000	23,500	88,500	4,800,000	2,837,971	7,637,971
	Sep 1, 2003	9,000	3,900	12,900	484,900	601,773	1,086,673
	Dec 1, 2003	83,000	22,500	105,500	5,286,000	2,658,779	7,944,779
Soybeans	Dec 1, 2002	36,000	16,100	52,100	1,170,000	943,373	2,113,373
	Sep 1, 2003	1,100	1,880	2,980	58,000	120,329	178,329
	Dec 1, 2003	19,000	21,000	40,000	820,000	866,381	1,686,381
Dry Edible Peas <sup>3/</sup> (000 Cwt)	Sep 1, 2003	---	---	---	---	---	639
	Dec 1, 2003	---	---	---	---	---	2,876
Lentils <sup>3/</sup> (000 Cwt)	Sep 1, 2003	---	---	---	---	---	116
	Dec 1, 2003	---	---	---	---	---	1,233
Chickpeas <sup>3/</sup> (000 Cwt)	Sep 1, 2003	---	---	---	---	---	380
	Dec 1, 2003	---	---	---	---	---	416
Hay (000 Tons)	Dec 1, 2002	4,300	---	4,300	103,692	---	103,692
	May 1, 2003	940	---	940	22,168	---	22,168
	Dec 1, 2003	4,690	---	4,690	110,752	---	110,752

<sup>1/</sup> Includes stocks at mills, elevators, warehouses, terminals and processors. <sup>2/</sup> Includes durum, other spring and winter <sup>3/</sup> Published at the U.S. level only.

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**USDA REPORTS SHOULD UNDERPIN MARKET**

by  
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The USDA reports released by USDA on January 12 were supportive to wheat, corn and soybean prices. Wheat prices will benefit from fewer than expected winter wheat planted acres. Corn and soybean prices will be supported by the production and stock levels that were sharply below trade expectations. Prices for these crops and related ones will continue to be volatile but downside price risk should be limited.

The production and stocks reports resulted in significant changes to the 2003-04 balance sheets for corn and soybeans but not for wheat since the winter wheat acres will be reflected in the 2004-05 supply and demand reports. USDA will make supply and demand projections for 2004-05 beginning May 12.

Winter wheat planted acres for 2004 were 43.5 million acres versus trade estimates of 45.8 and 2003 acres of 44.9. In the large winter wheat producing states of Kansas, Oklahoma, Texas and Colorado, acres were down because of dryness according to USDA. In North Dakota, 240 thousand acres were planted versus 130 thousand a year ago. U.S. winter durum acres (180,000) were down 27 percent from a year ago.

In the supply and demand report, wheat exports were increased by 25 million bushels to reflect the current stronger-than-normal export pace. The seasonal average farm price was increased by \$.05 at both ends of the range to \$3.25-\$3.45. The smaller-than-expected winter wheat acres would suggest a similar average farm price could be expected for 2004-05 given steady spring wheat acres, trend yields and preliminary use estimates by the Food and Ag Policy Research Institute.

Exports were increased for hard red winter, soft red winter and hard red spring. Domestic use was increased for hard red winter but decreased for hard red spring and soft red winter. Total use was increased for hard red winter, decreased for soft red winter and left unchanged for the other classes of wheat.

World wheat production was increased but the use of wheat was increased even more, so that ending stocks were down slightly from last month. Ending stocks are now projected down 23 percent from a year ago.

For corn, production was below trade expectations by 183 million bushels and stocks were below by 256 million bushels, for a combined amount of 439 million bushels below expectations. In the supply and demand report, production was reduced by 164 million bushels from a month ago. Use numbers were revised upward by 75 million bushels for feed and residual, 30 million for food, seed and industrial, and 50 million for exports. Ending stocks were dropped by 318 million bushels which resulted in a stocks/use ratio of 9.6 percent (12.9 percent last month). The seasonal average farm price was increased by \$.15 at the low end of the range and \$.05 at the high end to \$2.15-\$2.45.

World coarse grain ending stocks were reduced by 5.5 million tons to 100.5 million tons. They are now projected to be down 30 percent from a year ago. However, increased corn exports from Brazil are expected to more than offset decreases from Argentina, and China's corn exports were lowered by only .5 million tons due to a suspension of new export sales.

Soybean production and stocks were also below trade expectations. Production was below by 33 million bushels and stocks were below by 64 million bushels for a combined total of 97 million bushels below expectations. In the supply and demand report, production was reduced by 34 million bushels from a month ago. In contrast to corn, total use was revised down instead of up since ending stocks were already at a minimal level of 125 million bushels. Within total use, exports were increased by 10 million bushels. The seasonal average farm price range was narrowed by \$.05 at both ends to \$6.90-\$7.60.

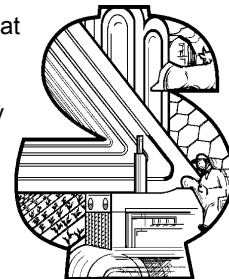
World ending stocks of soybeans for 2003-04 are not projected to be particularly tight. At 35.98 million metric tons, they were down from last year (38.74 million metric tons) but up from the year before (32.14 million metric tons). In addition, a record high level of world oilseed production is expected.

Soybean imports were left at a relatively low level, most likely due to concerns about rust, but very significant changes were made to soyoil and soymeal imports. Soyoil imports were increased from 46 million pounds last year and 85 million pounds in December to 235 million pounds in January. Soymeal imports were increased from 166 thousand tons last year and 340 thousand tons in December to 475 thousand tons in January. The soyoil average price range was increased from 26-29 cents per pound last month to 27.5-29.5. The soymeal average price range was increased from \$215-\$240 per ton to \$225-\$245.

The impact of large soyoil and soymeal imports, if they materialize, on the price for soybeans remains to be seen. Price increases could be tempered or prices could trade in a sideways pattern and even decrease once the South American crop comes on stream. Keep in mind that USDA left the mid-point of the price range unchanged.

Nearby soybean futures closed at \$8.35 on January 16. Recent nearby highs were \$8.56 during July 1996 and \$9.03 during May 1997.

A key factor determining where soybean price go will be Brazil's production and infrastructure. How large a soybean crop will they produce? Can their crushing, transportation and port system accommodate the production and demand in a timely manner? Time will tell.



## ANNUAL CROP PRODUCTION

### North Dakota

Corn for grain production in North Dakota for 2003 is estimated at a record high 131 million bushels, up 15 percent from last year. The previous record high of 114 million bushels was set in 2002. Yield averaged 112 bushels per harvested acre, down 3 bushels from last year. Soybean production is estimated at a record high 87.87 million bushels, topping last year's record high production of 86.79 million bushels. Yield was 29 bushels per harvested acre, four bushels less than 2002.

Oil sunflower production totaled 1.33 billion pounds, down from 1.45 billion in 2002. Yield per harvested acre was 1,300 pounds, also down from last year's 1,310 pounds per harvested acre. Non-oil sunflower production is estimated at 193 million pounds, down 27 percent from the previous year. Yield was 1,330 pounds per acre, 80 pounds more than a year ago. Canola production for 2003 is estimated at 1.35 billion pounds, down 5 percent from last year. Yield was 1,410 pounds per acre, up from last year's 1,230 pounds per harvested acre.

### United States

Corn for grain production is estimated at 10.1 billion bushels, down 2 percent from the November forecast but up 12 percent from the 9.01 billion bushels produced in 2002. The average U.S. grain yield is estimated at 142.2 bushels per acre, 1.0 bushel below the November forecast but up 12.2 bushels from 2002. Soybean production in 2003 totaled 2.42 billion bushels, down 1 percent from the November forecast and 12 percent below the 2002 level. This is the lowest production level since 1996. The average yield per acre is estimated at 33.4 bushels, 0.4 bushel below the November forecast and 4.6 bushels below the 2002 final yield.

Production for oil type sunflower varieties, at 2.26 billion pounds, increased 9 percent from 2002. Harvested acres are up 3 percent from the previous year, while the yield increased by 66 pounds. Production for non-oil sunflower varieties, at 406 million pounds, decreased 3 percent from last year. Acreage harvested for non-oil varieties decreased 12 percent from 2002. Canola production in 2003 is 1.51 billion pounds, down 3 percent from 2002. The canola yield, at 1,416 pounds, is up 198 pounds from last year.

### ANNUAL CROP SUMMARY: AREA PLANTED AND HARVESTED NORTH DAKOTA AND UNITED STATES, 2002 and 2003 <sup>1/</sup>

Crop	North Dakota				United States			
	Area Planted		Area Harvested		Area Planted		Area Harvested	
	2002	2003	2002	2003	2002	2003	2002	2003
	1,000 Acres		1,000 Acres		1,000 Acres		1,000 Acres	
Barley	1,600	2,050	1,240	1,980	5,071	5,299	4,129	4,688
Corn for Grain <sup>2/</sup>	1,230	1,450	995	1,170	79,054	78,736	69,313	71,139
Corn for Silage			180	220			7,490	6,528
Hay, All			3,300	2,950			64,497	63,342
Alfalfa			1,450	1,600			23,135	23,578
All Other			1,850	1,350			41,362	39,764
Oats	670	620	290	360	4,995	4,601	2,093	2,224
Rye	10	18	9	15	1,395	1,368	281	339
Wheat, All	9,080	8,630	7,920	8,500	60,468	61,700	45,917	52,839
Winter	80	130	70	120	41,845	44,945	29,751	36,541
Durum	2,100	2,000	1,950	1,980	2,909	2,915	2,703	2,869
Other Spring	6,900	6,500	5,900	6,400	15,714	13,840	13,463	13,429
Canola	1,300	970	1,160	960	1,459	1,082	1,275	1,068
Flaxseed	750	560	680	550	785	595	704	583
Mustard Seed <sup>3/</sup>					191.0	110.0	175.0	107.0
Rapeseed <sup>3/</sup>					3.4	1.3	3.1	1.2
Safflower <sup>3/</sup>					219	221	196	212
Soybeans	2,670	3,150	2,630	3,030	73,923	73,404	72,437	72,321
Sunflower, All	1,370	1,210	1,315	1,165	2,580	2,344	2,180	2,197
Oil	1,150	1,060	1,105	1,020	2,125	1,998	1,815	1,874
Non-oil	220	150	210	145	455	346	365	323
Sugarbeets	265	259	258	255	1,427.3	1,365.4	1,361.1	1,347.9
Dry Edible Beans, All	790.0	540.0	690.0	520.0	1,922.1	1,406.1	1,726.9	1,346.9
Navy	180.0	75.0	151.0	71.0	345.3	158.2	305.7	150.9
Pinto	515.0	410.0	460.0	397.0	813.3	662.9	725.3	638.2
Black Turtle	60.0	22.0	51.0	21.0	196.8	84.3	183.4	80.7
Dark Red Kidney	7.0	5.0	5.1	4.6	70.5	49.9	64.0	48.4
Pinks	9.0	8.5	7.8	7.7	34.8	32.8	32.8	31.2
Chickpeas, All (Garbanzo)	8.6	5.0	6.2	4.7	82.1	43.5	70.9	41.4
Large <sup>4/</sup>		4.0		3.8		37.5		35.8
Small <sup>4/</sup>		1.0		0.9		6.0		5.6
Great Northern	5.8	8.0	4.9	7.8	93.8	109.4	82.1	103.8
Other	4.6	6.5	4.0	6.2	285.5	265.1	262.7	252.3
Dry Edible Peas	155	160	138	155	302.7	337.5	279.7	328.5
Lentils	53	55	47	54	221.0	246.0	209.0	237.0
Fall Potatoes, All	118.0	117.0	102.0	112.0	1,138.8	1,107.6	1,109.4	1,092.0
Irrigated <sup>5/ 6/</sup>	36.0	37.5	34.5	37.0				
Types, Reds <sup>6/</sup>	19.0	23.5	14.5	21.5				
Whites <sup>6/</sup>	47.5	45.5	40.0	43.5				
Russets <sup>6/</sup>	51.5	48.0	47.5	47.0				

<sup>1/</sup> Data are latest estimates available. <sup>2/</sup> Area planted for all purposes. <sup>3/</sup> Published at U.S. level only. <sup>4/</sup> Estimates began in 2003. <sup>5/</sup> Included in all potatoes. <sup>6/</sup> Published at state level only.

# ANNUAL CROP PRODUCTION (Continued)

## ANNUAL CROP SUMMARY: YIELD AND PRODUCTION NORTH DAKOTA AND UNITED STATES, 2002 and 2003 <sup>1/</sup>

Crop	Unit	North Dakota				United States			
		Yield <sup>2/</sup>		Production		Yield <sup>2/</sup>		Production	
		2002	2003	2002	2003	2002	2003	2002	2003
		--- 1,000 ---				--- 1,000 ---			
Barley	Bu	46.0	60.0	57,040	118,800	54.9	58.9	226,573	276,087
Corn for Grain	Bu	115.0	112.0	114,425	131,040	130.0	142.2	9,007,659	10,113,887
Corn for Silage	Tons	7.0	6.8	1,260	1,496	14.0	16.2	104,979	105,864
Hay, All	Tons	1.19	1.56	3,920	4,598	2.34	2.48	150,962	157,123
Alfalfa	Tons	1.30	1.65	1,885	2,640	3.19	3.24	73,824	76,307
All Other	Tons	1.10	1.45	2,035	1,958	1.86	2.03	77,138	80,816
Oats	Bu	44.0	59.0	12,760	21,240	56.7	65.0	118,628	144,649
Rye	Bu	38.0	50.0	342	750	24.8	27.3	6,955	9,254
Wheat, All	Bu	27.3	37.3	216,610	317,090	35.3	44.2	1,619,001	2,336,526
Winter	Bu	38.0	49.0	2,660	5,880	38.5	46.7	1,145,602	1,707,069
Durum	Bu	25.0	29.5	48,750	58,410	29.4	33.7	79,450	96,637
Other Spring	Bu	28.0	39.5	165,200	252,800	29.3	39.7	393,949	532,820
Canola	Lbs	1,230	1,410	1,426,800	1,353,600	1,218	1,416	1,552,520	1,512,250
Flaxseed	Bu	18.0	18.0	12,240	9,900	17.9	17.9	12,569	10,426
Mustard Seed <sup>3/</sup>	Lbs					705	723	123,450	77,372
Rapeseed <sup>3/</sup>	Lbs					1,461	949	4,530	1,139
Safflower <sup>3/</sup>	Lbs					1,520	1,286	297,980	272,555
Soybeans	Bu	33.0	29.0	86,790	87,870	38.0	33.4	2,749,340	2,417,565
Sunflower, All	Lbs	1,300	1,304	1,710,050	1,518,850	1,142	1,213	2,489,606	2,665,226
Oil	Lbs	1,310	1,300	1,447,550	1,326,000	1,140	1,206	2,069,780	2,259,666
Non-oil	Lbs	1,250	1,330	262,500	192,850	1,150	1,256	419,826	405,560
Sugarbeets	Tons	18.6	20.4	4,799	5,202	20.4	22.7	27,718	30,605
Dry Edible Beans, All <sup>4/</sup>	Cwt	1,540	1,500	10,626	7,800	1,736	1,672	29,974	22,515
Navy <sup>4/</sup>	Cwt	1,550	1,640	2,340	1,164	1,735	1,666	5,304	2,514
Pinto <sup>4/</sup>	Cwt	1,560	1,480	7,184	5,864	1,776	1,635	12,880	10,437
Black Turtle <sup>4/</sup>	Cwt	1,350	1,320	689	277	1,698	1,565	3,114	1,263
Dark Red Kidney <sup>4/</sup>	Cwt	1,330	1,520	68	70	1,680	1,746	1,075	845
Pinks <sup>4/</sup>	Cwt	1,590	1,690	124	130	1,851	1,962	607	612
Chickpeas, All (Garbanzo) <sup>4/</sup>	Cwt	1,470	1,570	91	74	1,182	1,048	838	434
Large <sup>4/ 5/</sup>	Cwt		1,580		60		1,045		374
Small <sup>4/ 5/</sup>	Cwt		1,560		14		1,071		60
Great Northern <sup>4/</sup>	Cwt	1,510	1,760	74	137	1,882	2,135	1,545	2,216
Other <sup>4/</sup>	Cwt	1,400	1,350	56	84	1,755	1,662	4,611	4,194
Dry Edible Peas <sup>4/</sup>	Cwt	1,450	1,770	2,001	2,744	1,517	1,584	4,242	5,202
Lentils <sup>4/</sup>	Cwt	1,100	1,170	517	632	1,200	1,030	2,508	2,442
Fall Potatoes, All	Cwt	230	245	23,460	27,440	373	377	414,317	411,386
Irrigated <sup>6/ 7/</sup>	Cwt	300	363	10,350	13,415				
Types, Reds <sup>7/</sup>	Cwt	178	160	2,580	3,440				
Whites <sup>7/</sup>	Cwt	181	191	7,250	8,305				
Russets <sup>7/</sup>	Cwt	287	334	13,630	15,695				

1/ Data are latest estimates available. 2/ Yield per harvested acre. 3/ Published at U.S. level only. 4/ Yield in pounds. 5/ Estimates began in 2003.

6/ Included in all potatoes. 7/ Published at state level only.

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